



Iowa General Assembly
Daily Bills, Amendments and Study Bills
March 11, 2014

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House File 2332

H-8105

1 Amend House File 2332 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 321.1, subsections 89, 92, and
5 93, Code 2014, are amended to read as follows:

6 89. "Used vehicle parts dealer" means a person
7 engaged in, or advertising as being engaged in, the
8 business of selling bodies, parts of bodies, frames,
9 or component parts of used vehicles subject to
10 registration under this chapter.

11 92. "Vehicle rebuilder" means a person engaged in,
12 or advertising as being engaged in, the business of
13 rebuilding or restoring to operating condition vehicles
14 subject to registration under this chapter, which have
15 been damaged or wrecked.

16 93. "Vehicle salvager" means a person engaged in,
17 or advertising as being engaged in, the business of
18 scrapping vehicles, dismantling or storing wrecked
19 or damaged vehicles or selling reusable parts of
20 vehicles or storing vehicles not currently registered
21 which vehicles are subject to registration under this
22 chapter.

23 Sec. 2. Section 321H.2, subsections 6, 8, and 9,
24 Code 2014, are amended to read as follows:

25 6. "Used vehicle parts dealer" means a person
26 engaged in, or advertising as being engaged in, the
27 business of selling bodies, parts of bodies, frames,
28 or component parts of used vehicles subject to
29 registration.

30 8. "Vehicle rebuilder" means a person engaged in,
31 or advertising as being engaged in, the business of
32 rebuilding or restoring to operating condition vehicles
33 subject to registration which have been damaged or
34 wrecked.

35 9. "Vehicle salvager" means a person engaged in,
36 or advertising as being engaged in, the business of
37 scrapping, recycling, dismantling, or storing wrecked
38 or damaged vehicles or selling reusable parts of
39 vehicles or storing vehicles not currently registered
40 which vehicles are vehicles subject to registration.

41 Sec. 3. Section 321H.3, unnumbered paragraph 1,
42 Code 2014, is amended to read as follows:

43 Except for educational institutions; persons
44 licensed as new vehicle dealers under chapter 322;
45 persons engaged in a hobby not for profit; persons
46 engaged in the business of purchasing bodies, parts
47 of bodies, frames, or component parts of vehicles
48 only for sale as scrap metal; insurance companies
49 governed by chapter 515; county mutual insurance
50 associations governed by chapter 518; state mutual

HF2332.3266 (1) 85

(amending this HF 2332
to CONFORM to SF 2250)

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1 insurance associations governed by chapter 518A; or
2 persons licensed under the provisions of this chapter
3 as authorized vehicle recyclers, a person in this state
4 shall not engage in, or advertise as being engaged in,
5 the business of any of the following:>
6 2. Title page, lines 1 and 2, by striking <and
7 defining the term "scrapping">

KAUFMANN of Cedar

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(amending this HF 2332
to CONFORM to SF 2250)
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Senate File 2251

H-8106

1 Amend Senate File 2251, as passed by the Senate, as
2 follows:
3 1. By striking everything after the enacting clause
4 and inserting:
5 <Section 1. CHILD CARE ASSISTANCE ELIGIBILITY PILOT
6 PROJECT.
7 1. The department of human services shall implement
8 a pilot project in Hamilton, Lee, Pottawattamie, and
9 Scott counties for the fiscal year beginning July 1,
10 2014. Under the pilot project, for persons residing in
11 the pilot project counties, the department shall apply
12 revised requirements to authorize eligibility for the
13 state child care assistance program for the following
14 families who meet the program's other eligibility
15 requirements:
16 a. Families with an income at or below 100 percent
17 of the federal poverty level whose members, for at
18 least 28 hours per week in the aggregate, are employed
19 or are participating at a satisfactory level in an
20 approved training program or educational program.
21 b. Families with an income of more than 100 percent
22 but not more than 145 percent of the federal poverty
23 level whose members, for at least 28 hours per week in
24 the aggregate, are employed or are participating at a
25 satisfactory level in an approved training program or
26 educational program.
27 2. The department shall report to the governor
28 and general assembly in January 2015 concerning the
29 pilot project. The department shall consult with
30 participating families, community colleges, united way
31 agencies, and other stakeholders in developing the
32 report. The information in the report shall provide
33 findings and recommendations and shall include but is
34 not limited to an analysis of the fiscal effect on
35 the program of applying the revised requirements, the
36 effect of the revised requirements on the current net
37 income and potential future income of the families
38 utilizing the revised eligibility requirements, and the
39 effect of applying the revised eligibility requirements
40 on a statewide basis.>
41 2. Title page, by striking lines 1 and 2 and
42 inserting <An Act providing for a state child care
43 assistance program eligibility pilot project.>

COMMITTEE ON HUMAN RESOURCES
L. MILLER of Scott, Chairperson

SF2251.3118 (4) 85

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House File 2361

H-8107

- 1 Amend House File 2361 as follows:
2 1. Page 26, after line 22 by inserting:
3 <Sec. ____ INTERSECTION STUDY AND REPORT. The
4 department of transportation shall survey the county
5 engineers to identify all locations in each county
6 where two different highways having speed limits above
7 55 miles per hour intersect but are not controlled
8 by an official traffic-control signal or by official
9 traffic-control devices that direct traffic approaching
10 from every direction to stop or yield before entering
11 the intersection. On or before December 31, 2014, the
12 department shall file a report with the legislative
13 services agency detailing the number and locations of
14 the intersections identified in the survey.>
15 2. By renumbering as necessary.

STANERSON of Linn



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House File 2440 - Introduced

HOUSE FILE 2440
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2129)
(SUCCESSOR TO HSB 502)

A BILL FOR

1 An Act relating to the exclusion from the computation of net
2 income for the individual income tax of net capital gains
3 from the sale of a business and including retroactive
4 applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5083HZ (2) 85
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H.F. 2440

1 Section 1. Section 422.7, subsection 21, paragraph a, Code
2 2014, is amended to read as follows:
3 a. (1) (a) Net capital gain from the sale of a business or
4 from the sale of real property used in a business, in which the
5 taxpayer materially participated for a minimum of ten years,
6 ~~as defined in section 469(h) of the Internal Revenue Code, and~~
7 which if, in the case of the sale of real property used in a
8 business, the real property has been held for a minimum of ten
9 years or from the sale of a business, as defined in section
10 423.1, in which the taxpayer materially participated for ten
11 years, as defined in section 469(h) of the Internal Revenue
12 Code, and which has been held for a minimum of ten years. The
13 sale of a business means the sale of all or substantially all
14 of the tangible personal property or service of the business
15 if, in the case of the sale of a business, the taxpayer has
16 held stock or an equity interest in the business for a minimum
17 of ten years.
18 (b) ~~However, where the business is sold~~ If the sale of the
19 business in subparagraph division (a) is made to individuals
20 who are all lineal descendants of the taxpayer, the taxpayer
21 does not have to have materially participated in the business
22 in order for the net capital gain from the sale to be excluded
23 from taxation.
24 (2) ~~However, in~~ In lieu of the net capital gain deduction
25 in this paragraph and paragraphs "b", "c", and "d", ~~where the~~
26 ~~business is sold~~ if the sale of the business in subparagraph
27 (1) is made to individuals who are all lineal descendants of
28 the taxpayer, the amount of capital gain from each capital
29 asset may be subtracted in determining net income.
30 ~~(2)~~ (3) For purposes of this paragraph, unless the context
31 otherwise requires:
32 (a) "Business" means the same as defined in section 423.1.
33 (b) ~~"lineal"~~ "Lineal descendant" means children of the
34 taxpayer, including legally adopted children and biological
35 children, stepchildren, grandchildren, great-grandchildren, and



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1 any other lineal descendants of the taxpayer.

2 (c) "Materially participated" means the same as defined in
3 section 469(h) of the Internal Revenue Code.

4 (d) "Sale of a business" means either of the following:

5 (i) The sale of all or substantially all of the tangible
6 personal property or service of the business.

7 (ii) The sale of all or substantially all of the taxpayer's
8 stock or equity interest in the business, whether the proceeds
9 from the sale are received by the taxpayer in one payment or
10 several payments, and whether the business is held as a sole
11 proprietorship, corporation, partnership, joint venture, trust,
12 limited liability company, or another business entity.

13 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
14 retroactively to January 1, 2014, for tax years beginning on
15 or after that date.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with
18 the explanation's substance by the members of the general assembly.

19 This bill relates to the taxation of net capital gains from
20 the sale of a business.

21 This state provides an exclusion from the computation of net
22 income for the individual income tax of any net capital gains
23 realized from the sale of a business if the taxpayer held the
24 business for at least 10 years and materially participated in
25 the business for at least 10 years.

26 The bill modifies the requirement that the taxpayer hold the
27 business for a minimum of 10 years to require that the taxpayer
28 hold stock or an equity interest in the business for a minimum
29 of 10 years.

30 Under current law, "sale of a business" is defined as the
31 sale of all or substantially all of the tangible personal
32 property or service of the business. The bill modifies the
33 definition to include the sale of all or substantially all of a
34 taxpayer's stock or equity interest in the business, whether
35 the proceeds from the sale are received in one payment or

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1 several payments, and whether the business is held as a sole
2 proprietorship, corporation, partnership, joint venture, trust,
3 limited liability company, or another business entity.

4 The bill applies retroactively to January 1, 2014, for tax
5 years beginning on or after that date.



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House File 2441 - Introduced

HOUSE FILE 2441
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2149)

A BILL FOR

1 An Act concerning the excise tax on compressed natural gas and
2 liquefied natural gas used as special fuel.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 452A.2, Code 2014, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 20A. a. "Gallon", with respect to
4 compressed natural gas, means a gasoline gallon equivalent. A
5 gasoline gallon equivalent of compressed natural gas is five
6 and sixty-six hundredths pounds or one hundred twenty-six
7 and sixty-seven hundredths cubic feet measured at a base
8 temperature of 60 degrees Fahrenheit and a pressure of fourteen
9 and seventy-three hundredths pounds per square inch absolute.

10 b. "Gallon", with respect to liquefied natural gas, means
11 a diesel gallon equivalent. A diesel gallon equivalent of
12 liquefied natural gas is six and six hundredths pounds.

13 Sec. 2. Section 452A.2, subsections 24 and 25, Code 2014,
14 are amended to read as follows:

15 24. "Licensed compressed natural gas, liquefied natural
16 gas, and liquefied petroleum gas dealer" means a person in the
17 business of handling untaxed compressed natural gas, liquefied
18 natural gas, or liquefied petroleum gas who delivers any part
19 of the fuel into a fuel supply tank of any motor vehicle.

20 25. "Licensed compressed natural gas, liquefied natural gas,
21 and liquefied petroleum gas user" means a person licensed by
22 the department who dispenses compressed natural gas, liquefied
23 natural gas, or liquefied petroleum gas, upon which the special
24 fuel tax has not been previously paid, for highway use from
25 fuel sources owned and controlled by the person into the fuel
26 supply tank of a motor vehicle, or commercial vehicle owned or
27 controlled by the person.

28 Sec. 3. Section 452A.3, subsection 4, Code 2014, is amended
29 to read as follows:

30 4. For compressed natural gas used as a special fuel, the
31 rate of tax ~~that is equivalent to the motor fuel tax shall~~
32 ~~be sixteen cents per hundred cubic feet adjusted to a base~~
33 ~~temperature of sixty degrees Fahrenheit and a pressure of~~
34 ~~fourteen and seventy-three hundredths pounds per square inch~~
35 ~~absolute~~ is twenty-one cents per gallon.

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1 Sec. 4. Section 452A.3, Code 2014, is amended by adding the
2 following new subsection:

3 NEW SUBSECTION. 4A. For liquefied natural gas used as a
4 special fuel, the rate of tax is twenty-two and one-half cents
5 per gallon.

6 Sec. 5. Section 452A.4, subsection 1, paragraph d, Code
7 2014, is amended to read as follows:

8 *d.* A dealer's or user's license shall be required for
9 each separate place of business or location where compressed
10 natural gas, liquefied natural gas, or liquefied petroleum gas
11 is delivered or placed into the fuel supply tank of a motor
12 vehicle.

13 Sec. 6. Section 452A.8, subsection 2, paragraph e, Code
14 2014, is amended to read as follows:

15 *e.* (1) For purposes of this paragraph "e", "dealer" or
16 "user" means a licensed compressed natural gas, liquefied
17 natural gas, and liquefied petroleum gas dealer or user and
18 "fuel" means compressed natural gas, liquefied natural gas, or
19 liquefied petroleum gas.

20 (2) The tax for compressed natural gas, liquefied natural
21 gas, and liquefied petroleum gas delivered by a licensed
22 ~~compressed natural gas or liquefied petroleum gas~~ dealer for
23 use in this state shall attach at the time of the delivery and
24 shall be collected by the dealer from the consumer and paid
25 to the department as provided in this chapter. The tax, with
26 respect to compressed natural gas, liquefied natural gas, and
27 liquefied petroleum gas acquired by a consumer in any manner
28 other than by delivery by a licensed ~~compressed natural gas~~
29 ~~or liquefied petroleum gas~~ dealer into a fuel supply tank of
30 a motor vehicle, attaches at the time of the use of the fuel
31 and shall be paid over to the department by the consumer as
32 provided in this chapter.

33 ~~{2}~~ (3) The department shall adopt rules governing the
34 dispensing of compressed natural gas, liquefied natural gas,
35 and liquefied petroleum gas by licensed dealers and licensed

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1 users. The director may require by rule that reports and
2 returns be filed by electronic transmission. ~~For purposes~~
3 ~~of this paragraph "e", "dealer" and "user" mean a licensed~~
4 ~~compressed natural gas or liquefied petroleum gas dealer or~~
5 ~~user and "fuel" means compressed natural gas or liquefied~~
6 ~~petroleum gas.~~ The department shall require that all pumps
7 located at dealer locations and user locations through which
8 liquefied petroleum gas can be dispensed shall be metered,
9 inspected, tested for accuracy, and sealed and licensed by
10 the state department of agriculture and land stewardship, and
11 that fuel delivered into the fuel supply tank of any motor
12 vehicle shall be dispensed only through tested metered pumps
13 and may be sold without temperature correction or corrected to
14 a temperature of ~~sixty~~ 60 degrees. If the metered gallonage
15 is to be temperature-corrected, only a temperature-compensated
16 meter shall be used. Natural gas used as fuel shall be
17 delivered into compressing equipment through sealed meters
18 certified for accuracy by the department of agriculture and
19 land stewardship.

20 ~~{3}~~ (4) (a) All gallonage which is not for highway use,
21 dispensed through metered pumps as licensed under this section
22 on which fuel tax is not collected, must be substantiated by
23 exemption certificates as provided by the department or by
24 valid exemption certificates provided by the dealers, signed by
25 the purchaser, and retained by the dealer. A *"valid exemption*
26 *certificate provided by a dealer"* is an exemption certificate
27 which is in the form prescribed by the director to assist a
28 dealer to properly account for fuel dispensed for which tax is
29 not collected and which is complete and correct according to
30 the requirements of the director.

31 (b) For the privilege of purchasing liquefied petroleum
32 gas, dispensed through licensed metered pumps, on a basis
33 exempt from the tax, the purchaser shall sign exemption
34 certificates for the gallonage claimed which is not for highway
35 use.



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1 (c) The department shall disallow all sales of gallonage
2 which is not for highway use unless proof is established by the
3 certificate. Exemption certificates shall be retained by the
4 dealer for a period of three years.

5 ~~(4)~~ (5) (a) For the purpose of determining the amount
6 of liability for fuel tax, each dealer and each user shall
7 file with the department not later than the last day of the
8 month following the month in which this division becomes
9 effective and not later than the last day of each calendar
10 month thereafter a monthly tax return certified under penalties
11 for false certification. The return shall show, with reference
12 to each location at which fuel is delivered or placed by the
13 dealer or user into a fuel supply tank of any motor vehicle
14 during the next preceding calendar month, information as
15 required by the department.

16 (b) The amount of tax due shall be computed by multiplying
17 the appropriate tax rate per gallon by the number of gallons
18 of fuel delivered or placed by the dealer or user into supply
19 tanks of motor vehicles.

20 (c) The return shall be accompanied by remittance in the
21 amount of the tax due for the month in which the fuel was placed
22 into the supply tanks of motor vehicles.

23 Sec. 7. Section 452A.60, unnumbered paragraph 1, Code 2014,
24 is amended to read as follows:

25 The department of revenue or the state department of
26 transportation shall prescribe and furnish all forms, as
27 applicable, upon which reports, returns, and applications shall
28 be made and claims for refund presented under this chapter
29 and may prescribe forms of record to be kept by suppliers,
30 restrictive suppliers, importers, exporters, blenders, common
31 carriers, contract carriers, licensed compressed natural gas,
32 liquefied natural gas, and liquefied petroleum gas dealers
33 and users, terminal operators, nonterminal storage facility
34 operations, and interstate commercial motor vehicle operators.

35 Sec. 8. Section 452A.62, subsection 1, paragraph a,

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1 subparagraph (2), Code 2014, is amended to read as follows:

2 (2) A licensed compressed natural gas, liquefied natural
3 gas, or liquefied petroleum gas dealer, user, or person
4 supplying compressed natural gas or liquefied petroleum gas to
5 a licensed compressed natural gas, liquefied natural gas, or
6 liquefied petroleum gas dealer or user.

7 Sec. 9. Section 452A.62, subsection 1, paragraph b, Code
8 2014, is amended to read as follows:

9 b. To examine the records, books, papers, receipts, and
10 invoices of any distributor, supplier, restrictive supplier,
11 importer, blender, exporter, terminal operator, nonterminal
12 storage facility, licensed compressed natural gas, liquefied
13 natural gas, or liquefied petroleum gas dealer or user, or any
14 other person who possesses fuel upon which the tax has not been
15 paid to determine financial responsibility for the payment of
16 the taxes imposed by this chapter.

17 Sec. 10. Section 452A.74, subsection 1, paragraphs e and g,
18 Code 2014, are amended to read as follows:

19 e. For any person to act as a supplier, restrictive
20 supplier, importer, exporter, blender, or compressed natural
21 gas, liquefied natural gas, or liquefied petroleum gas dealer
22 or user without the required license.

23 g. For any licensed compressed natural gas, liquefied
24 natural gas, or liquefied petroleum gas dealer or user to
25 dispense compressed natural gas, liquefied natural gas, or
26 liquefied petroleum gas into the fuel supply tank of any motor
27 vehicle without collecting the fuel tax.

28 Sec. 11. Section 452A.74, subsection 2, Code 2014, is
29 amended to read as follows:

30 2. Any delivery of compressed natural gas, liquefied
31 natural gas, or liquefied petroleum gas to a compressed natural
32 gas, liquefied natural gas, or liquefied petroleum gas dealer
33 or user for the purpose of evading the state tax on compressed
34 natural gas, liquefied natural gas, or liquefied petroleum
35 gas, into facilities other than those licensed above knowing

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1 that the fuel will be used for highway use shall constitute
2 a violation of this section. Any compressed natural gas,
3 liquefied natural gas, or liquefied petroleum gas dealer or
4 user for purposes of evading the state tax on compressed
5 natural gas, liquefied natural gas, or liquefied petroleum
6 gas, who allows a distributor to place compressed natural gas,
7 liquefied natural gas, or liquefied petroleum gas for highway
8 use in facilities other than those licensed above, shall also
9 be deemed in violation of this section.

10 Sec. 12. Section 452A.85, subsection 1, Code 2014, is
11 amended to read as follows:

12 1. Persons having title to motor fuel, ethanol blended
13 gasoline, undyed special fuel, compressed natural gas,
14 liquefied natural gas, or liquefied petroleum gas in storage
15 and held for sale on the effective date of an increase in
16 the excise tax rate imposed on motor fuel, ethanol blended
17 gasoline, undyed special fuel, compressed natural gas,
18 liquefied natural gas, or liquefied petroleum gas under this
19 chapter shall be subject to an inventory tax based upon the
20 gallonage in storage as of the close of the business day
21 preceding the effective date of the increased excise tax rate
22 of motor fuel, ethanol blended gasoline, undyed special fuel,
23 compressed natural gas, liquefied natural gas, or liquefied
24 petroleum gas which will be subject to the increased excise tax
25 rate.

26 Sec. 13. Section 452A.86, Code 2014, is amended to read as
27 follows:

28 **452A.86 Method of determining gallonage.**

29 The exclusive method of determining gallonage of any
30 purchases or sales of motor fuel, undyed special fuel,
31 ~~compressed natural gas~~, or liquefied petroleum gas as defined
32 in this chapter and distillate fuels shall be on a gross volume
33 basis, except for compressed natural gas and liquefied natural
34 gas. The exclusive method of determining gallonage of any
35 purchases or sales of compressed natural gas is the gasoline

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1 gallon equivalent, as defined in section 452A.2, subsection
2 20A. The exclusive method of determining gallonage of any
3 purchase or sale of liquefied natural gas is the diesel gallon
4 equivalent, as defined in section 452A.2, subsection 20A.
5 A temperature-adjusted or other method shall not be used,
6 except as it applies to liquefied petroleum gas and the sale
7 or exchange of petroleum products between petroleum refiners.
8 All invoices, bills of lading, or other records of sale or
9 purchase and all returns or records required to be made, kept,
10 and maintained by a supplier, restrictive supplier, importer,
11 exporter, blender, or compressed natural gas, liquefied natural
12 gas, or liquefied petroleum gas dealer or user shall be made,
13 kept, and maintained on the gross volume basis. For purposes
14 of this section, "*distillate fuels*" means any fuel oil, gas oil,
15 topped crude oil, or other petroleum oils derived by refining
16 or processing crude oil or unfinished oils which have a boiling
17 range at atmospheric pressure which falls completely or in part
18 between ~~five hundred fifty~~ 550 and ~~twelve hundred~~ 1,200 degrees
19 Fahrenheit.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with
22 the explanation's substance by the members of the general assembly.

23 This bill revises the method of calculating the excise tax
24 on compressed natural gas (CNG) used as a special fuel and
25 establishes an excise tax on liquefied natural gas (LNG) used
26 as a special fuel.

27 For CNG, the rate of tax is 21 cents per gallon. The bill
28 provides that the term "gallon", with respect to CNG, means a
29 gasoline gallon equivalent, which is 5.66 hundredths pounds or
30 126.67 cubic feet measured at a base temperature of 60 degrees
31 Fahrenheit and a pressure of 14.73 pounds per square inch
32 absolute. (Under current law, the rate of the tax is based on
33 cubic feet rather than pounds: 16 cents per 100 cubic feet
34 adjusted to a base temperature of 60 degrees Fahrenheit and a
35 pressure of 14.73 pounds per square inch absolute.) The bill

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1 provides that the exclusive method of determining gallonage of
2 any purchase or sales of CNG is the gasoline gallon equivalent.
3 For LNG, the rate of tax is 22.5 cents per gallon, and the
4 term "gallon", with respect to LNG, means a diesel gallon
5 equivalent, which is 6.06 pounds of LNG. The bill provides
6 that the exclusive method of determining gallonage of any
7 purchase or sales of LNG is the diesel gallon equivalent.
8 The bill makes conforming changes to various Code sections
9 to include LNG in current provisions relating to the collection
10 of the excise tax on special fuel.



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House File 2442 - Introduced

HOUSE FILE 2442
BY HALL

A BILL FOR

1 An Act relating to violations for failure to provide proof of
2 motor vehicle financial liability coverage, and including
3 effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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H.F. 2442

1 Section 1. FAILURE TO PROVIDE PROOF OF FINANCIAL LIABILITY
2 COVERAGE — RULES. The department of transportation shall
3 initiate rulemaking to amend 761 IAC 615.1 to provide that a
4 violation of section 321.20B for failure to provide proof of
5 financial liability coverage is a moving violation.

6 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
7 immediate importance, takes effect upon enactment.

8 EXPLANATION

9 The inclusion of this explanation does not constitute agreement with
10 the explanation's substance by the members of the general assembly.

11 Under current law, the department of transportation may
12 suspend a person's driver's license upon a showing that the
13 person is a habitual violator of the traffic laws. Pursuant
14 to administrative rules, a "habitual violator" is a person who
15 has been convicted of three or more moving violations committed
16 within a 12-month period. The accumulation of convictions
17 for moving violations may also lead to license revocation if
18 the person is determined to be a habitual offender. "Moving
19 violation" is defined in administrative rules as any violation
20 of motor vehicle laws, with certain exceptions including a
21 violation of Code section 321.20B for failure to provide
22 proof of financial liability coverage. This bill directs the
23 department of transportation to amend its rules by removing
24 that exception.

25 The bill takes effect upon enactment.



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House Resolution 107 - Introduced

HOUSE RESOLUTION NO. 107

BY GAINES, ABDUL-SAMAD, HUSEMAN, WESSEL-KROESCHELL,
KELLEY, VANDER LINDEN, STUTSMAN, BERRY, H. MILLER,
MUHLBAUER, HAGENOW, RIDING, JORGENSEN, HEARTSILL,
KOESTER, GASSMAN, MAXWELL, MEYER, MASCHER, and

R. OLSON

1 A Resolution congratulating the Grand View University
2 Vikings football team on winning the National
3 Association of Intercollegiate Athletics National
4 Championship.

5 WHEREAS, in 2013, the Grand View Vikings football
6 team had a 14-0 overall record, won the Mid-States
7 Football Association Midwest title for the third
8 straight season with a 6-0 league record, and finished
9 the season ranked as the number one team in the
10 nation; and

11 WHEREAS, on December 21, 2013, the Vikings won the
12 58th annual Russell Athletic-NAIA Football National
13 Championship, beating the first ranked University of
14 the Cumberlands Patriots with a score of 35-23; and

15 WHEREAS, Grand View quarterback Derek Fulton was
16 named the Outstanding Offensive Player of the Game,
17 completing 19 of 39 attempts for a game-high 300 yards,
18 and four touchdowns; and

19 WHEREAS, Jason Gladfelder was named the Outstanding
20 Defensive Player of the Game, registering 15
21 tackles; and

22 WHEREAS, Coach Mike Woodley has been selected as the
23 American Football Coaches' Association NAIA National
24 Coach of the Year; NOW THEREFORE,

LSB 5641HH (3) 85

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H.R. 107

1 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,
2 That the House of Representatives congratulates
3 Coach Woodley and all the members of the Grand View
4 University Vikings football team on winning the
5 National Association of Intercollegiate Athletics
6 National Championship.



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Senate File 2289

S-5056

- 1 Amend the amendment, S-5044, to Senate File 2289 as
2 follows:
3 1. Page 2, after line 12 by inserting:
4 <Sec. _____. Section 321.276, subsection 3, Code
5 2014, is amended to read as follows:
6 3. a. ~~Nothing in this~~ Except as provided in this
7 subsection, this section shall not be construed to
8 authorize a peace officer to confiscate a portable
9 electronic communication device from the driver or
10 occupant of a motor vehicle.
11 b. A peace officer shall not view the contents
12 of an electronic communication device for purposes of
13 enforcement of this section without a search warrant
14 obtained in accordance with chapter 808.
15 c. A peace officer may seize an electronic
16 communication device from the driver of a motor vehicle
17 as evidence relating to an investigation of an accident
18 involving the motor vehicle, but shall not view the
19 contents of the device until a search warrant has been
20 obtained in accordance with chapter 808.>
21 2. By renumbering as necessary.

JACK WHITVER

TOD R. BOWMAN



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Senate File 2299

S-5057

1 Amend Senate File 2299 as follows:
2 1. Page 1, before line 1 by inserting:
3 <Section 1. Section 321J.2, subsection 3, paragraph
4 c, unnumbered paragraph 1, Code 2014, is amended to
5 read as follows:
6 Assessment of a fine of one thousand two hundred
7 fifty dollars. However, ~~in the discretion of the~~
8 ~~court~~, if no personal ~~or property~~ injury has resulted
9 from the defendant's actions, the court ~~may~~ shall waive
10 ~~up to~~ six hundred twenty-five dollars of the fine when
11 the defendant presents to the court ~~at the end of the~~
12 ~~minimum period of ineligibility~~ a temporary restricted
13 license issued pursuant to section 321J.20.>
14 2. Page 6, line 17, by striking <chapter.> and
15 inserting <chapter, if any of the following apply:
16 (a) The person submitted to testing and had an
17 alcohol concentration of .08 or more but not more than
18 .15 and an accident resulting in personal injury or
19 property damage occurred.
20 (b) The person submitted to testing and had an
21 alcohol concentration of .15 or more.
22 (c) The person refused to consent to testing in
23 accordance with section 321J.6.>
24 3. Page 8, after line 7 by inserting:
25 <d. For purposes of paragraphs "b" and "c", an
26 "event" means an attempt to start a motor vehicle in
27 which an ignition interlock device is installed with
28 a breath alcohol concentration of .04 or above three
29 times within a fifteen-minute period.>
30 4. Page 8, before line 8 by inserting:
31 <Sec. _____. NEW SECTION. 321J.17A Ignition
32 interlock device providers — low-income rate costs.
33 An approved ignition interlock device provider shall
34 not charge more than two hundred fifty dollars for
35 costs associated with the installation, maintenance,
36 and removal of an approved ignition interlock device
37 for a six-month period to any of the following persons:
38 1. A person with an income equal to or less than
39 one hundred fifty percent of the federal poverty level.
40 2. A person who qualifies for programs supporting
41 low-income persons including but not limited to
42 the medical assistance program, the Iowa health and
43 wellness plan, the federal food assistance programs,
44 and any other state or federal benefit assistance
45 program administered by the department of human
46 services.>
47 5. Page 9, by striking lines 2 through 10 and
48 inserting:
49 <(2) The person's noncommercial driver's license is
50 revoked under section 321J.9 ~~and the person has entered~~

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1 ~~a plea of guilty on a charge of a violation of section~~
2 ~~321J.2 which arose from the same set of circumstances~~
3 ~~which resulted in the person's driver's license~~
4 ~~revocation under section 321J.9 and the guilty plea~~
5 ~~is not withdrawn at the time of or after application~~
6 ~~for the temporary restricted license, and the minimum~~
7 ~~period of ineligibility for issuance of a temporary~~
8 ~~restricted license has expired.>~~
9 6. Page 12, after line 5 by inserting:
10 <Sec. _____. APPLICABILITY. The provision of this
11 Act enacting section 321J.17, subsection 3, paragraph
12 "a", subparagraph (1), applies to violations committed
13 on or after July 1, 2014.>
14 7. Title page, line 3, after <devices> by inserting
15 <, and including applicability provisions.>
16 8. By renumbering as necessary.

CHRIS BRASE



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Senate File 2334 - Introduced

SENATE FILE 2334
BY ZAUN

A BILL FOR

1 An Act exempting from the individual income tax the wages of
2 individuals who provide services to disabled individuals and
3 including effective date and applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5934XS (2) 85
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S.F. 2334

1 Section 1. Section 422.7, Code 2014, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 18. Subtract the amount of wages received
4 by an individual from an organization organized under chapter
5 504 and qualifying under section 501(c)(3) of the Internal
6 Revenue Code as an organization exempt from federal income tax
7 under section 501(a) of the Internal Revenue Code for services
8 provided to individuals domiciled in this state who have a
9 physical or mental impairment which substantially limits one
10 or more major life activities.

11 Sec. 2. EFFECTIVE DATE. This Act takes effect January 1,
12 2015.

13 Sec. 3. APPLICABILITY. This Act applies to tax years
14 beginning on or after January 1, 2015.

15 EXPLANATION

16 The inclusion of this explanation does not constitute agreement with
17 the explanation's substance by the members of the general assembly.

18 This bill exempts from the individual income tax wages
19 received by an individual from a nonprofit, tax-exempt
20 organization organized under Code chapter 504 (revised Iowa
21 nonprofit corporation Act) for services provided to individuals
22 domiciled in this state who have a physical or mental
23 impairment which substantially limits one or more major life
24 activities.

25 The bill takes effect January 1, 2015, and applies to tax
26 years beginning on or after that date.



Iowa General Assembly
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Senate File 2335 - Introduced

SENATE FILE 2335
BY ZAUN

A BILL FOR

1 An Act providing a new business tax credit available against
2 the corporate income tax, and including effective date and
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5897XS (4) 85
mm/sc



Iowa General Assembly
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S.F. 2335

1 Section 1. Section 422.33, Code 2014, is amended by adding
2 the following new subsection:
3 NEW SUBSECTION. 31. *a.* For purposes of this subsection:
4 (1) "*New business*" includes any activity engaged in by
5 any person or caused to be engaged in by the person with
6 the object of gain, benefit, or advantage, either direct or
7 indirect, which activity was not previously engaged in within
8 this state or caused to be engaged in within this state by
9 that person before January 1, 2015. This subparagraph shall
10 not be construed to include activity performed or caused to be
11 performed by a person acting in the capacity of an employee, or
12 activity that meets the definition of "casual sales" in section
13 423.3.
14 (2) "*New business owner*" means an individual who meets all
15 the following requirements:
16 (a) The individual acquires an equity interest in a new
17 business on or after January 1, 2015.
18 (b) The individual has not engaged in or caused to be
19 engaged in by the individual within this state the activity
20 of the new business with the objective of gain, benefit, or
21 advantage, either direct or indirect, prior to the date on
22 which the individual acquires the equity interest in the new
23 business. This subparagraph division shall not be construed
24 to include activity performed or caused to be performed by a
25 person acting in the capacity of an employee, or activity that
26 meets the definition of "casual sales" in section 423.3.
27 (3) "*Population*" means the population shown by the latest
28 preceding certified federal census.
29 (4) "*Qualified new Iowa business*" means a corporation that
30 is a new business whose equity interests are all owned by new
31 business owners and whose commercial domicile is in a county
32 in this state which county ranks among the bottom twenty-five
33 percent of all Iowa counties as measured by population.
34 *b.* The taxes imposed under this division shall be reduced
35 by a new business tax credit to a qualified new Iowa business

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1 in an amount equal to the qualified new Iowa business's income
2 tax payable to this state under this division, computed without
3 regard to the credit allowed under this subsection or the
4 credit for estimated tax paid in section 422.91.

5 c. The maximum amount that may be refunded to a qualified
6 new Iowa business in any tax year in which the credit allowed
7 under this subsection is claimed shall not exceed the amount
8 paid as estimated tax by the new business pursuant to division
9 VII of this chapter for the tax year.

10 d. A qualified new Iowa business may claim the credit
11 allowed under this subsection for not more than ten tax years
12 following the tax year in which the qualified new Iowa business
13 is incorporated.

14 e. In order to be eligible for the new business tax credit a
15 business must make application to the department in the manner
16 and form prescribed by the department and must be certified as
17 a qualified new Iowa business by the department.

18 Sec. 2. EFFECTIVE DATE. This Act takes effect January 1,
19 2015.

20 Sec. 3. APPLICABILITY. This Act applies to tax years
21 beginning on or after January 1, 2015.

EXPLANATION

23 The inclusion of this explanation does not constitute agreement with
24 the explanation's substance by the members of the general assembly.

25 This bill creates a new business tax credit available
26 against the corporate income tax.

27 The tax credit is available to qualified new Iowa businesses
28 and equals the qualified new Iowa business's total corporate
29 income tax liability.

30 "Qualified new Iowa business" is defined as any corporation
31 that is a new business owned entirely by new business owners
32 and whose commercial domicile is located in a county in this
33 state that ranks among the bottom 25 percent of all Iowa
34 counties as measured by population. "New business" includes
35 any activity engaged in for the first time in this state by a

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1 person after January 1, 2015, with the object of gain, benefit,
2 or advantage, excluding activities performed as an employee
3 or activities that meet the definition of "casual sales" in
4 Code section 423.3. "New business owners" are individuals
5 that acquire an equity interest in a new business on or after
6 January 1, 2015, and that have not previously engaged in within
7 this state the activity of the new business with the object of
8 gain, benefit, or advantage, excluding activities performed as
9 an employee or activities that meet the definition of "casual
10 sales" in Code section 423.3.

11 The maximum amount that may be refunded to a qualified new
12 Iowa business in any tax year the credit is claimed cannot
13 exceed the total estimated tax payments made by the qualified
14 new Iowa business during the tax year. A qualified new Iowa
15 business may claim the tax credit for a period of 10 years
16 following the tax year in which the qualified new Iowa business
17 is incorporated.

18 In order to be eligible for the new business tax credit a
19 business must make application to the department of revenue and
20 be certified by the department as a qualified new Iowa business
21 by the department.

22 The bill takes effect January 1, 2015, and applies to tax
23 years beginning on or after that date.



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Senate File 2336 - Introduced

SENATE FILE 2336

BY FEENSTRA, ANDERSON,
BERTRAND, SCHNEIDER,
CHELGREN, BOETTGER,
CHAPMAN, GREINER, SMITH,
GUTH, JOHNSON, SEGEBART,
ZAUN, GARRETT, BREITBACH,
KAPUCIAN, ZUMBACH, BEHN,
DIX, WHITVER, ROZENBOOM,
and SINCLAIR

A BILL FOR

1 An Act relating to the sales tax exemption for the purchase
2 of certain items used in certain manufacturing, research
3 and development, data processing or storage, or recycling
4 activities.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:



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S.F. 2336

1 Section 1. Section 423.3, subsection 47, paragraph a,
2 unnumbered paragraph 1, Code 2014, is amended to read as
3 follows:

4 The sales price from the sale or rental of computers,
5 machinery, ~~and~~ equipment, ~~including~~ replacement parts,
6 supplies, and materials used to construct or self-construct
7 computers, machinery, ~~and~~ equipment, replacement parts, and
8 supplies, if such items are any of the following:

9 Sec. 2. Section 423.3, subsection 47, paragraph d, Code
10 2014, is amended by adding the following new subparagraphs:

11 NEW SUBPARAGRAPH. (7) "*Replacement part*" means tangible
12 personal property other than computers, machinery, equipment,
13 or supplies, regardless of the cost or useful life of the
14 tangible personal property, that meets all of the following
15 conditions:

16 (a) The tangible personal property replaces a component of
17 a computer, machinery, or equipment, which component is capable
18 of being separated from the computer, machinery, or equipment.

19 (b) The tangible personal property performs the same or
20 similar function as the component it replaced.

21 (c) The tangible personal property restores the computer,
22 machinery, or equipment to an operational condition, or
23 upgrades or improves the efficiency of the computer, machinery,
24 or equipment.

25 NEW SUBPARAGRAPH. (8) "*Supplies*" means tangible personal
26 property, other than computers, machinery, equipment, or
27 replacement parts, that meets one of the following conditions:

28 (a) The tangible personal property is to be connected
29 to a computer, machinery, or equipment and requires regular
30 replacement because the property is consumed or deteriorates
31 during use, including but not limited to saw blades, drill
32 bits, filters, and other similar items with a short useful
33 life.

34 (b) The tangible personal property is used in conjunction
35 with a computer, machinery, or equipment and is specially



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1 designed for use in manufacturing specific products and may
2 be used interchangeably and intermittently on a particular
3 computer, machine, or piece of equipment, including but not
4 limited to jigs, dies, tools, and other similar items.

5 (c) The tangible personal property comes into physical
6 contact with other tangible personal property used in
7 processing and is used to assist with or maintain conditions
8 necessary for processing, including but not limited to cutting
9 fluids, oils, coolants, lubricants, and other similar items
10 with a short useful life.

11 (d) The tangible personal property is directly and
12 primarily used in an activity described in paragraph "a",
13 subparagraphs (1) through (6), including but not limited
14 to prototype materials, testing materials, and application
15 software.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with
18 the explanation's substance by the members of the general assembly.

19 This bill relates to the sales tax exemption in Code section
20 423.3(47) for the purchase or rental of certain items used in
21 manufacturing, research and development, data processing or
22 storage, or recycling activities.

23 Under current law, the exemption includes replacement
24 parts. The bill amends the exemption to include materials
25 used to construct or self-construct replacement parts. The
26 bill defines "replacement part" for purposes of the exemption
27 to mean tangible personal property other than computers,
28 machinery, equipment, or supplies, regardless of the cost or
29 useful life of the property, that replaces a component of a
30 computer, machinery, or equipment, performs the same or similar
31 function as that component, and restores or improves the
32 computer, machinery, or equipment.

33 The bill also amends the exemption to include supplies
34 and materials used to construct or self-construct supplies.
35 "Supplies" is defined in the bill as tangible personal property

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1 that is not a computer, machinery, equipment, or replacement
2 part and that meets one of the following four conditions:

3 1. The tangible personal property is to be connected to
4 a computer, machinery, or equipment and requires regular
5 replacement because it is consumed or deteriorates during
6 use. Examples of items that meet this requirement include saw
7 blades, drill bits, filters, and other similar items with a
8 short useful life.

9 2. The tangible personal property is used in conjunction
10 with a computer, machinery, or equipment and is specially
11 designed for use in manufacturing specific products and may
12 be used interchangeably and intermittently on a particular
13 computer, machine, or piece of equipment. Examples of items
14 that meet this requirement include jigs, dies, tools, and other
15 similar items.

16 3. The tangible personal property comes into physical
17 contact with other tangible personal property used in
18 processing and is used to assist with or maintain conditions
19 necessary for processing. Examples of items that meet this
20 requirement include cutting fluids, oils, coolants, lubricants,
21 and other similar items with a short useful life.

22 4. The tangible property is directly and primarily used
23 in an activity described in Code section 423.3(47)(a)(1)-(6).
24 Examples of items that meet this requirement include prototype
25 materials, testing materials, and application software.

26 By operation of Code section 423.6, an item exempt from the
27 imposition of the sales tax is also exempt from the use tax
28 imposed in Code section 423.5.



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Senate Resolution 104 - Introduced

SENATE RESOLUTION NO. 104

BY DEARDEN

1 A Resolution congratulating the Grand View University
2 Vikings football team on winning the National
3 Association of Intercollegiate Athletics National
4 Championship.

5 WHEREAS, in 2013, the Grand View Vikings football
6 team had a 14-0 overall record, won the Mid-States
7 Football Association Midwest title for the third
8 straight season with a 6-0 league record, and finished
9 the season ranked as the number one team in the
10 nation; and

11 WHEREAS, on December 21, 2013, the Vikings won the
12 58th annual Russell Athletic-NAIA Football National
13 Championship, beating the first ranked University of
14 the Cumberlands Patriots with a score of 35-23; and

15 WHEREAS, Grand View quarterback Derek Fulton was
16 named the Outstanding Offensive Player of the Game,
17 completing 19 of 39 attempts for a game-high 300 yards,
18 and four touchdowns; and

19 WHEREAS, Jason Gladfelder was named the Outstanding
20 Defensive Player of the Game, registering 15
21 tackles; and

22 WHEREAS, Coach Mike Woodley has been selected as the
23 American Football Coaches' Association NAIA National
24 Coach of the Year; NOW THEREFORE,

25 BE IT RESOLVED BY THE SENATE, That the Senate
26 congratulates Coach Woodley and all the members of the
27 Grand View University Vikings football team on winning
28 the National Association of Intercollegiate Athletics

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S.R. 104

1 National Championship.